# **BELL TO BELL: FOREIGN EXCHANGE**





Extra Credit a newsletter for educators



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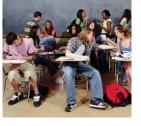
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Engage: Get them thinking



Teach: Share the knowledge



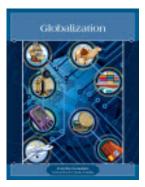
Practice: Use the knowledge



Reflect: Assess their learning

# Teaching the foreign exchange market? We have a plan!

## **Engage: Explore foreign currency**



Ask students to read pages 6 and 7 of the Dallas Fed's *Globalization* booklet that explains the concept of foreign currency exchange and then answer the following questions.

- 1. What is the term for the price of one currency in terms of another?
- 2. How might Americans traveling abroad be affected by a stronger U.S. dollar?
- 3. Explain what is meant by a currency that is depreciating.

### **Teach: International monetary exchange**



Turn your classroom into a foreign exchange market with this lesson. Your students will learn how currencies are valued in relation to one another. Students will experience how supply and demand in the market establishes exchange rates and will explain the difference between appreciating and depreciating currencies.

#### **Practice: Currency Crusaders of Justice online course**



**<u>Register</u>** as an instructor and then enroll your students in the online course Currency Crusaders of Justice. Students will travel the globe as Jack teaches his sidekick Andy all about how the markets for currency exchange work. The course includes a pretest and posttest as well as checks of students' knowledge after each new episode of the animated journey.

#### Assess: Is a strong dollar better than a weak dollar?



Help your students demonstrate their understanding of the value of one nation's currency relative to another with this <u>classroom edition</u> of the St. Louis Fed's *Page One Economics*. Students should be able to answer the following questions after reading the article:

- 1. What does it mean for a currency to appreciate?
- 2. What does it mean for a currency to depreciate?
- 3. Who benefits versus who is hurt when one nation's currency appreciates relative to another nation?